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8907-A
8907-B
360

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2-021A053

No.

JAN 21 1982

Date

Fee \$

60.00

ICC Washington, D. C.

JAN 21 1982 - 1 50 PM
INTERSTATE COMMERCE COMMISSION

January 19, 1982

RECORDATION NO. 8907-B
FILED 1426

JAN 21 1982 - 1 50 PM
INTERSTATE COMMERCE COMMISSION

Office of the Secretary
Division of Recordations
Interstate Commerce Commission
12th Street and Constitution Avenue, N.W.
Washington, DC 20423

Re: Emons Industries, Inc.
Recordation No. 8907

Gentlemen:

In accordance with the provisions of Section 11303 of the Revised Interstate Commerce Act, 49 U.S.C. §11303, and Part 1116 of Title 49 of the Code of Federal Regulations, we request that the enclosed documents be recorded and filed by the Interstate Commerce Commission (the "Commission").

Enclosed herewith are three originals of the documents listed below. We request that one original of each document be recorded and filed in the order listed below. We request that the additional originals be stamped by your office and returned to us.

1. An Amendment, dated as of July 28, 1981, between UTC Equipment Corporation ("UTC") and the Maryland and Pennsylvania Railroad Company ("Railroad"), amending a Lease dated July 21, 1977 between UTC and Railroad. The Lease was filed and recorded by the Commission on July 28, 1977 as Recordation No. 8907. This document should be recorded as Recordation No. 8907-A.

2. Security Agreement, dated as of July 28, 1981, between UTC and Emons Industries, Inc. This document should be recorded as Recordation No. 8907-B.

A check in the amount of \$ 60 has been enclosed with this letter of transmittal to cover the recordation fee.

SLADE PELLMAN & BIEHL

Office of the Secretary
January 19, 1982
Page 2

Please stamp and return the enclosed copy of this letter of transmittal.

If there are any questions with respect to the enclosed, please telephone Michael W. Stamm at this office.

Very truly yours,


SLADE PELLMAN & BIEHL

pg
Enclosures

✓
REGISTRATION NO. 8907-B
JAN 21 1982 - 1 50 PM
INTERSTATE COMMERCE COMMISSION

8907-B
350

SECURITY AGREEMENT

SECURITY AGREEMENT dated as of July 28, 1981, between UTC EQUIPMENT CORPORATION, a Maryland corporation, (herein called "Secured Party"), and EMONS INDUSTRIES, INC., a New York corporation, (herein called "Guarantor").

W I T N E S S E T H:

Pursuant to a Lease Agreement dated as of June 24, 1981, between the Guarantor, as lessor, and North American Car Corporation, Canadian Railcar Division, as lessee ("NAC"), (the "NAC Sublease"), the Guarantor has agreed to lease to NAC, and NAC has agreed to hire from the Guarantor, two hundred seventy-five (275) Class "XP" boxcars.

Pursuant to a Lease Agreement dated as of July 21, 1977 between the Secured Party, as lessor, and the Maryland & Pennsylvania Railroad Company, a Maryland and Pennsylvania corporation wholly-owned by the Guarantor (the "Railroad"), as lessee, (the "Lease"), the Secured Party has leased to the Railroad, and the Railroad has agreed to hire from the Secured Party, one hundred (100) boxcars (the "UT Cars"), eighty-five (85) of which will be subleased to NAC pursuant to the NAC Sublease.

Pursuant to a Guarantee dated August 1, 1977 (the "Guarantee"), the Guarantor has guaranteed to the Secured Party the full and punctual performance, payment and discharge of all obligations owing by the Railroad to the Secured Party under the Lease.

NOW THEREFORE, the parties hereto agree:

(1) As an inducement to Secured Party to consent to, among other things, the inclusion of eighty-five of the UT Cars in the NAC Sublease, and in consideration of the granting of such consent, the Guarantor hereby sells, assigns, transfers, pledges and sets over unto the Secured Party the Guarantor's right, title and interest in and to the NAC Sublease and in and to rent to become due and payable from time to time under the NAC Sublease, and the proceeds thereof, as collateral security for the payment and performance of all obligations and duties of Guarantor to Secured Party arising under or by virtue of the Guarantee; provided, however, that the Secured Party's right to receive any funds payable by NAC to Guarantor pursuant to the NAC Sublease shall be a right to receive a portion (the "Pro-rated Portion") of any such funds equal to the amount payable to Secured Party pursuant to the terms of an Intercreditors Agreement, dated as of

October 1, 1981 among the Secured Party, the Guarantor, Walter E. Heller & Company, Hamilton Bank and Manufacturers Hanover Leasing Corporation (the "Intercreditors Agreement").

(2) Upon the occurrence of any default by the Guarantor in the performance of its obligations under the Guarantee, unless such default shall have been waived by the Secured Party, the Secured Party may, upon giving written notice to NAC of such default, but without notice to or consent of Guarantor, proceed to exercise one or more of the rights and remedies accorded to a secured party by applicable law, all of which rights and remedies shall be cumulative, and in such event, without limiting the generality of the foregoing, the Secured Party shall have the right, upon giving NAC written notice of such default, but without notice to or consent of Guarantor:

(i) To instruct NAC to pay directly to the Secured Party or its designee a portion of the moneys payable to Guarantor under the NAC Sublease equal to the Pro-rated Portion, when and as the same become due and payable, for the entire duration of the NAC Sublease and any renewals or extensions thereof, provided, however, that Secured Party shall provide notice to Guarantor of such instruction; and

(ii) To demand, collect, receive and sue for a portion of such moneys due and payable and to become due and payable under the NAC Sublease equal to the Pro-rated Portion to the extent necessary to discharge in full the obligations of Guarantor under the Guarantee, to give all necessary receipts and acquittances therefor and to take all such other action as Secured Party may deem necessary or proper in connection therewith.

All of the proceeds received by Secured Party shall be applied first to the payment of the reasonable costs and expenses incurred by Secured Party in connection with Guarantor's default, including reasonable attorney's fees and legal expenses, then to the payment of all amounts then due and unpaid under the Guarantee, and then to pay the balance, if any, as required by the Intercreditors Agreement or as otherwise required by law.

(3) The Secured Party consents to the inclusion of eighty-five of the UT Cars in the NAC Sublease.

IN WITNESS WHEREOF, the parties have duly executed this Lease the day and year first above written.

ATTEST:

Thomas Blomquist

UTC EQUIPMENT CORPORATION

By: Georges B. Maris
Title: Vice President

ATTEST:

J. P. Smith
Notary

EMONS INDUSTRIES, INC.

By: fl. Miller
Title: V.P.

STATE OF Maryland)
COUNTY OF Baltimore) SS.:

On the 30th day of October, 1981, before me personally appeared George B. Morris, to me personally known, who, being by me duly sworn, says that he is the Vice President of UTC EQUIPMENT CORPORATION, the Secured Party in the foregoing Security Agreement, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Wegene W. Smith
Notary Public

STATE OF PENNSYLVANIA)
COUNTY OF YORK) SS.:

On the 19th day of November, 1981, before me personally appeared J. Maltese, to me personally known, who, being by me duly sworn, says that he is the Vice President of EMONS INDUSTRIES, INC., Guarantor in the foregoing Security Agreement, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Erdege Howerton
Notary Public
MY COMMISSION EXPIRES
JANUARY 31, 1985
YORK, YORK COUNTY, PA